



State Board of Equalization

News Release

Michelle Steel, Member

3rd District – Rolling Hills Estates

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www.boe.ca.gov

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Michele Steel Says California Gasoline Consumption Down in June and Second Quarter 2008

Gasoline Use Declined 7.5 percent in June; Diesel Declined 9.0 percent in Second Quarter

Michelle Steel, Third District Member of the State Board of Equalization (BOE), today released gasoline consumption figures for June and complete figures for the second quarter of 2008. June gasoline consumption declined by 7.5 percent from the same month a year ago.

In the second quarter of 2008, Californians used 191 million gallons less than the second quarter last year, a decline of 4.8 percent. The second quarter of 2008 marks the ninth consecutive three-month period to show less gas consumption. *(Editor's note – see chart attached).*

The average California gas price at the pump in May was \$4.02 per gallon and \$4.53 in June 2008, which was a 36.0 percent change from the average price of June 2007 when it was \$3.33. The BOE estimates that nearly twice as much sales tax is generated annually by higher gasoline prices than five years ago. Those higher prices generated approximately \$3.6 billion in sales tax during 2007 when the average price was \$3.12. In contrast, 2003's gasoline sales generated \$2.1 billion when the average pump price was \$1.88.

June 2008 diesel fuel sold for use on California roads totaled 260 million gallons, which was 8.4 percent below that of June 2007. Diesel use in California declined 9.0 percent in the second quarter of 2008 from the same quarter a year ago. *(Editor's note – see chart attached).* The decreased consumption reflects both the impacts of higher diesel prices and the slowing economy, which is associated with less freight movement on California roads and highways. California diesel prices were up 64.6 percent compared to June of 2007.

The BOE is able to monitor gallons through tax receipts paid by fuel distributors. Figures for July 2008 are scheduled to be available near the end of October. All monthly, quarterly, and annual figures can be viewed on the BOE website at: www.boe.ca.gov/sptaxprog/spftrpts.htm.

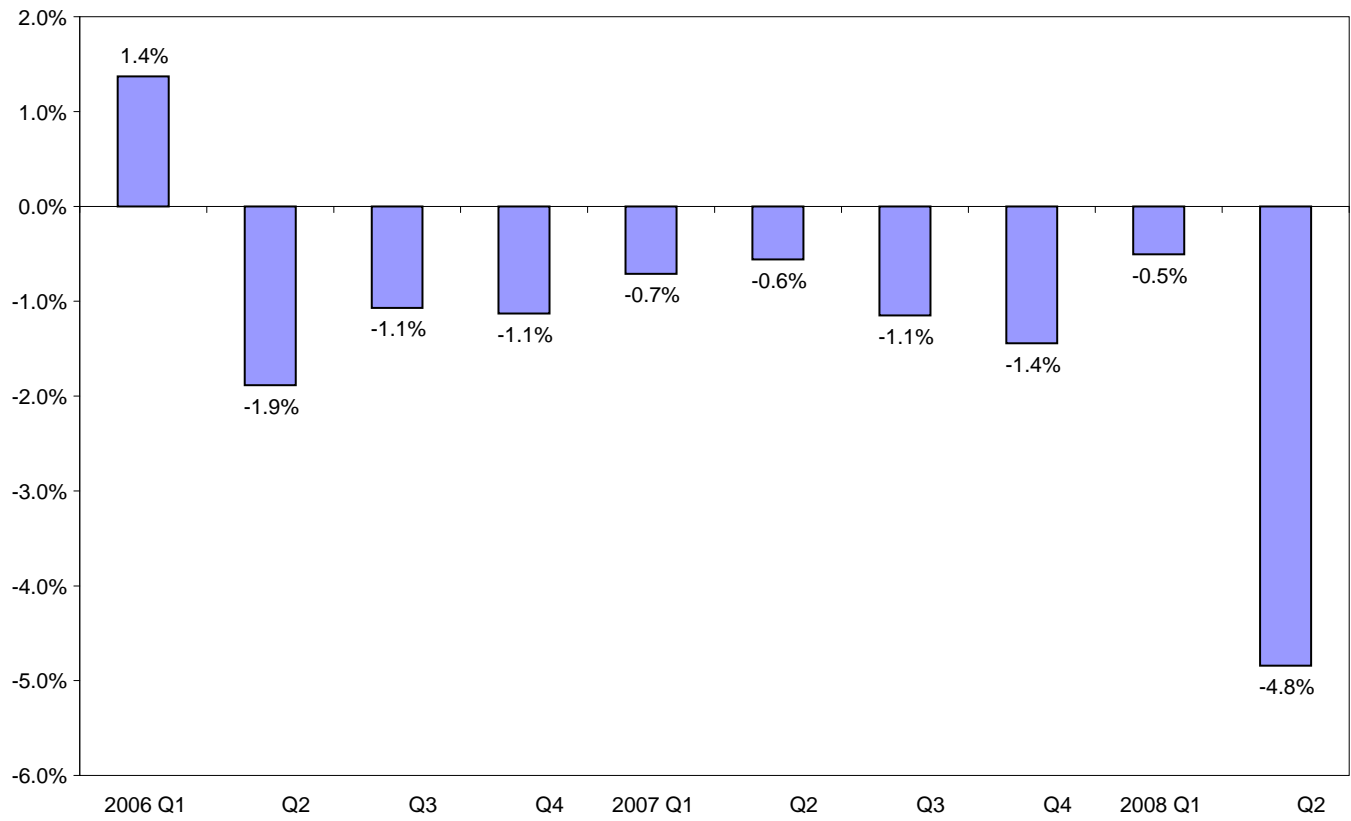
Taxable Gasoline Gallons: www.boe.ca.gov/sptaxprog/reports/MVF_10_Year_Report.pdf

Taxable Diesel Gallons: www.boe.ca.gov/sptaxprog/reports/Diesel_10_Year_Report.pdf

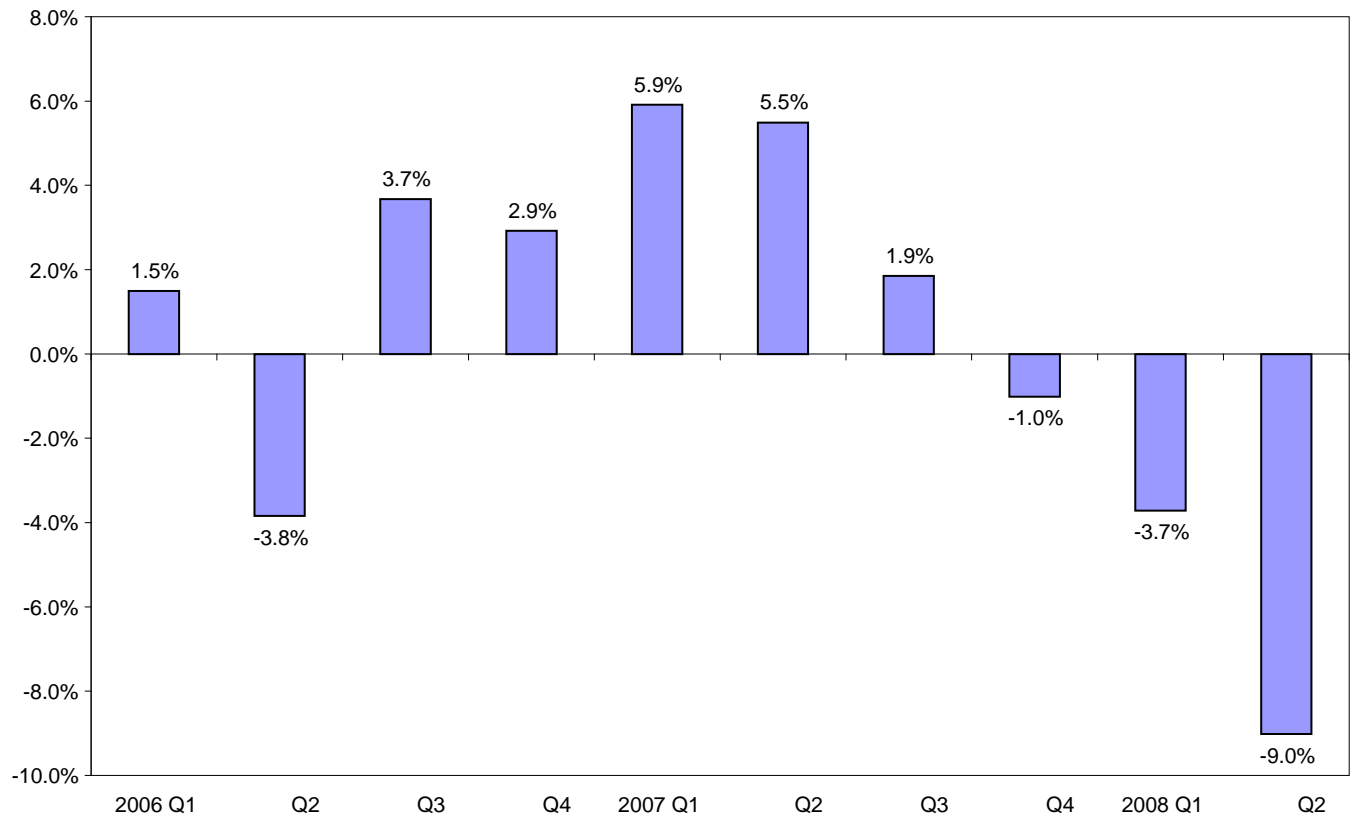
Elected to the Board of Equalization in 2006, Michelle Steel serves as the country's highest ranking Korean-American elected official. She represents the more than 8.5 million taxpayers of the Third Board of Equalization District, including the counties of Los Angeles, Orange, San Diego, Riverside, Imperial and San Bernardino.

The five-member California State Board of Equalization (BOE) is a publicly elected tax board. The BOE collects more than \$53 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes.

Year over Year Quarterly Gasoline Consumption Comparison



Year over Year Quarterly Diesel Consumption Comparison



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